WASHINGTON (1 April) – Today, the U.S. House of Representatives approved H.R. 1664, the Pay for Performance Act, which included two measures sponsored by U.S. Rep. Gus Bilirakis (R-Fla.) to provide greater accountability of taxpayer funds and protect private enterprise.

H.R. 1664 would impose compensation restrictions on federal bailout recipients who refuse to voluntarily change their excessive compensation practices. The legislation included a provision specifically advocated for by Bilirakis which requires financial institutions receiving Troubled Asset Relief Program (TARP) funds to disclose the compensation of their highest paid executives, and require the Treasury to list the information in an online database. Earlier this year, Bilirakis sponsored H.R. 807, which would have amended the Emergency Economic Stabilization Act of 2008 to require a executive compensation database of the institutions receiving assistance under the Troubled Assets Relief Program.

"I have opposed each of the bailouts that have passed through this body, and I am a believer in free markets. Under normal circumstances, I would argue that executive pay is best left to the company and its shareholders. However, when companies are receiving billions of dollars of taxpayer monies, full disclosure can help guide our future legislative decisions on the use of taxpayer money," said Bilirakis. “Policy makers and those we represent should have the benefit of this information.”

In addition to the database, a Bilirakis amendment was adopted which clarifies that an institution which is not a TARP recipient will not be subject to the requirements of the bill as a result of doing business with a TARP recipient.

“As we work together to force TARP recipients that refuse to voluntarily change their excessive and unreasonable compensation practices, we must be careful not to overreach and inadvertently restrict compensation at firms that are not TARP recipients,” Bilirakis added. “This language gives assurance to non-TARP recipients that it is OK to do business with those firms on taxpayer life support.”

The amendment also closed a potential loophole that would have allowed the largest recipients of taxpayer funds under TARP to escape the executive compensation restrictions.